a recently retired Government servant from Madras was occupying a room in the building occupied by the Secretary of State for India and organizing a syndicate for the hydro-electric schemes in South India ;

(b) whether the Government have authorized anybody to float a company or organize a syndicate for the hydro-electric schemes in South India and, if so, whom ;

(c) what are the instructions (written or otherwise) given by the Government ; and

(d) whether any negotiations are going on between the Government and any individual or company with reference to the hydro-electric schemes ; and, if so, in what stage are those negotiations and who are the persons negotiating ?

A.—The Government have seen the article in the *Radical*, but cannot find the statement that Sir Arthur Knapp is living in the India Office. Nor is it true that the Government have authorized Sir Arthur Knapp or anyone else to float a company or organize a syndicate for the hydro-electric schemes in South India. Sir Arthur Knapp has been engaged in some confidential negotiations with the present holders of some hydro-electric concessions which the Government desire to terminate. They hope to be able to make a further statement when these negotiations are completed.

Rao Bahadur T. A. Ramalinga Chettiyar :—" Is it not a fact Sir, that Sir Arthur Knapp is holding his office in the office of the Secretary of State for India ? "

The hon. Sir C. P. Ramaswami Ayyar :—" We are not aware of that."

Mr. A. Ramaswami Mudaliyar :—' Does Sir Arthur Knapp occupy a room in the High Commissioner's office at No. 42, Grosvenor Square, London ? "

The hon. Sir C. P. Ramaswami Ayyar :—" It is true we have received letters from Sir Arthur Knapp addressed from the High Commissioner's office ; but we are not aware of the fact that Sir Arthur Knapp is holding his office in the High Commissioner's office ; nor did we make any arrangements for Sir Arthur Knapp to hold his office in the office of the High Commissioner."

Rao Bahadur T. A. Ramalinga Chettiyar :—" Are the negotiations completed ? "

The hon. Sir C. P. Ramaswami Ayyar :—" Yes, Sir, as will appear from the speech of His Excellency the Governor yesterday."

Rao Bahadur T. A. Ramalinga Chettiyar :—" When will the proposed statement be made ? "

The hon. Sir C. P. Ramaswami Ayyar :—" Government will examine the whole question of the next step in the progress of the hydro-electric scheme and proposals with regard to the financing of these schemes will be published and placed before this Council."